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Chairman: Mr. Chowdhury ..... (Bangladesh)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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Section 18. Economic development in Europe

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The meeting was called to order at 10.10 a.m.

Agenda item 142: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

(a) Financing of the United Nations peacekeeping operations (*continued*)

Draft resolutions A/C.5/52/L.4 and L.7

1. **Ms. Peña** (Mexico), introducing draft resolution A/C.5/52/L.4 on death and disability benefits and draft resolution A/C.5/52/L.7 on third-party liability: temporal and financial limitations, said that the word "principle" had inadvertently been substituted for the word "notion" in paragraph 7 of the former draft resolution. Since a number of delegations were still awaiting authorization to be able to approve the draft resolutions by consensus, she proposed that the draft resolutions should be adopted at a later stage.

2. It had been decided to postpone discussion of reform of the procedures for determining reimbursement to Member States for contingent-owned equipment until subsequent meetings of the Fifth Committee in early 1998, when the whole issue of peacekeeping operations would be considered.

Agenda item 116: Proposed programme budget for the biennium 1998-1999 (*continued*) (A/52/6/Rev.1, A/52/7 (Chap. II, Parts IV and V) and A/52/16 and Add.1)

Section 7. Policy coordination and sustainable development

Section 8. Africa: New Agenda for Development

Section 9. Economic and social information and policy analysis

Section 10. Development support and management services

Section 11A. Trade and development

Section 11B. International Trade Centre UNCTAD/WTO

Section 12. Environment

Section 13. Human settlements

Section 14. Crime control

Section 15. International drug control

3. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on sections 7-15 of the proposed programme budget (A/52/7 (Chap. II, Part IV)), said that provisions of $294,792,100 had been included for international cooperation and development.

4. Sections 7, 9 and 10, Policy coordination and sustainable development; Economic and social development and policy analysis; and Development support and management services, would be directly affected by the Secretary-General's reform proposals contained in document A/51/950, specifically by the proposal that three existing Departments should be merged into one. The Advisory Committee had been informed that, as a result of those changes, the mandate of the relevant structures would remain the same but the programme of work would be restructured. The Advisory Committee intended to make more detailed comments when it considered the report of the Secretary-General on United Nations reform (A/52/303).

5. The Advisory Committee had noted that the number of non-governmental organizations in association with the United Nations intergovernmental machinery had increased sharply. In 1996-1997 there had been 1,500 non-governmental organizations in consultative status with the Economic and Social Council; in 1998-1999 that number had increased to 1,700. The administrative and management implication, including the related cost, of the relationship between the United Nations and non-governmental organizations should be evaluated.

6. The intergovernmental machinery should be involved to a much greater extent in the review of the work programme of the relevant budget sections, and the Secretary-General should indicate much more accurately and precisely the financial implications of intergovernmental decisions on the programme.

7. Furthermore, the Advisory Committee recommended that the intergovernmental machinery of the new merged department encompassing units of the three former Departments should become more actively involved in an in-depth review of its publications programme (para. IV.19).

8. With regard to section 11A, Trade and development, the Advisory Committee had noted that the reduction in the number of posts was accompanied by an increase in the level of general temporary assistance and the number of consultants. Similarly, a reduction in resources earmarked for travel was accompanied by an increase in travel funded from extrabudgetary sources. The Advisory Committee had held lengthy discussions with the Secretariat regarding the use of consultants by the United Nations Conference on Trade and Development (UNCTAD). There was a clear need to identify exactly which tasks were to be performed by

outside consultants and expert groups, and to monitor the cost-effectiveness of employing them. The Secretariat had justified the increase in the use of consultancy services on the grounds of enhanced flexibility in implementing the work programme. There was also an urgent need to review the proliferation of publications issued by UNCTAD.

9. With reference to technical projects, the Advisory Committee had noted that UNCTAD was considering charging a small fee for technical services. Since most of the users of those services were developing countries, the fees should be targeted in a way that would not undermine the original purpose of the projects.

10. On the matter of section 11B, International Trade Centre UNCTAD/WTO, the Advisory Committee had noted with concern that the administrative and financial arrangements recently entered into by the Secretary-General with the Director-General of the World Trade Organization (WTO) had not been submitted to the General Assembly for review or approval (para. IV.41). Accordingly, it believed that the agreement between the secretariats of the United Nations and the former General Agreement on Tariffs and Trade (GATT) in 1974 was still in force.

11. As to sections 12 and 13, Environment, and Human settlements, the relevant programmes of work were funded chiefly from extrabudgetary sources and were labouring under very difficult financial constraints. Furthermore, oversight bodies had had occasion to comment on problems of management, control and monitoring, in the United Nations Environment Programme (UNEP) and the United Nations Centre for Human Settlements (Habitat).

12. The Advisory Committee had concluded that the programme of work for section 14, Crime control, was too ambitious to be carried out with the resources available. Even though a thorough review of the work programme had been carried out, no firm decisions had been made to adjust it. The Advisory Committee therefore recommended greater involvement by the intergovernmental machinery in the programme of work.

13. **Mr. Chinvanno** (Thailand), Vice-Chairman of the Committee for Programme and Coordination (CPC), introducing the relevant sections of that Committee's report (A/52/16), said that CPC recommended that the General Assembly should approve the programme narrative of sections 7, 8, 9 and 10 subject to further consideration at its resumed session. The General Assembly should also approve the programme narrative of section 11A subject to the modifications indicated in the report. On section 11B, the Committee had not made any recommendations but had noted with concern that, owing to the request of the World Trade Organization (WTO) to revise the arrangements governing the programme budget of the International Trade Centre since 1974, the programme of work of the Centre for the biennium 1998-1999 was not available for review by the Committee. However, CPC had noted that a revised section 11B containing a complete description of the programme of work derived from the relevant subprogrammes of programme 9 of the medium-term plan for the period 1998-2001 would subsequently be submitted to the General Assembly for review and approval.

14. The Committee recommended that the General Assembly should approve the programme narrative of sections 12, 13, 14 and 15, subject to the modifications indicated in the report. With regard to section 14, the Committee also recommended that the programme of work of the section should include activities that could strengthen international cooperation and improve the response of Member States in combating all forms of terrorism and transnational crime.

15. **Ms. Aragon** (Philippines), speaking on behalf of the States members of the Association of Southeast Asian Nations (ASEAN) regarding section 11A, said that UNCTAD played an indispensable role as a focal point for the integrated treatment of development and related issues in the areas of trade, finance, technology, investment and sustainable development. It should continue to carry out its mandate through research designed to support policy dialogue and technical cooperation.

16. ASEAN noted that the proposed overall level of resources before recosting reflected a reduction of $2.7 million and a staff of 394, a decrease of 53 regular budget posts compared with the 1996-1997 budget. Her delegation sought assurances that those reductions were attributable to the completion of the reform and restructuring of UNCTAD. The reformed structure of the Conference should be consolidated with the full support of Member States. UNCTAD could then devote itself exclusively to the full implementation of its mandated activities. The Committee should keep the resource situation of UNCTAD under review to ensure that the proposed reductions would not adversely affect the efficient and effective implementation of mandated programmes and activities.

17. **Mr. Erdenebileg** (Mongolia), speaking on behalf of the Group of landlocked developing countries regarding section 11A, said that landlocked States faced tremendous obstacles and hardships in their efforts to achieve their development goals. The Group was therefore surprised to see that there was a proposal to eliminate a D-1 post in the Office of the Special Coordinator for Least Developed,

Landlocked and Island Developing Countries (A/52/6/Rev.1, para. 11A.66). That post was the only one in the entire United Nations system responsible for activities relating to landlocked developing countries. Its abolition therefore made it impossible for UNCTAD to fulfil its mandate in that area. UNCTAD in general, and the Office of the Special Coordinator in particular, served as a focal point for activities relating to landlocked developing countries at the global level.

18. Although his delegation was fully aware of the need to improve the cost-effectiveness of the United Nations, efficiency measures would serve no purpose if they compromised activities designed to assist developing countries with special needs such as landlocked States. The Group therefore urged that the D-1 post should be retained.

19. **Ms. Montaño-Durán** (Bolivia) said that her delegation endorsed the statement made by the representative of Mongolia on behalf of the Group of landlocked developing countries with regard to section 11A. Noting that provision for UNCTAD reflected a resource decrease of $2,755,400, or 2.4 per cent, compared with the 1996-1997 appropriations, she said her delegation felt that such a decrease might adversely affect the execution of the Conference's programme of work, with inherent implications for subprogramme 5. Her delegation was also opposed to the abolition of the D-1 post in the Office of the Special Coordinator, which would send a signal that the Organization had downgraded the importance of the problems faced by landlocked developing States.

20. **Mr. Kabir** (Bangladesh) said, in connection with section 11A (Trade and development), that his delegation recognized the useful work done by UNCTAD in support of developing countries and the efforts it had made to reform.

21. He shared the hope of the Advisory Committee (A/52/7 (Chap. II, Part IV, para. IV.27)) that the transfer of 11 posts to the budgets of the regional commissions would not adversely affect the interaction between UNCTAD and the commissions, and asked whether the Secretariat had conducted a performance evaluation to assess the impact of the transfer. The P-4 post to be established for the follow-up to the Global Conference on the Sustainable Development of Small Island Developing States (para. IV.28) should be filled as a matter of urgency.

22. The increased provision for consultants referred to in paragraph IV.31 of the Advisory Committee's report was the logical consequence of staff reductions. He agreed with the Advisory Committee that the estimates for consultants appeared to be more than was required, and that there was a need to identify more clearly the work to be carried out by consultants, ad hoc expert groups and the staff of the UNCTAD secretariat.

23. With regard to paragraph IV.32 of the report, he supported the proposed reclassification of a D-2 post in the Office of the Secretary-General of UNCTAD to the Assistant Secretary-General level, and the conversion of another D-2 post from a temporary to an established basis. Those changes were appropriate in view of the new role of UNCTAD. He was concerned about a proposed reduction under subprogramme 5 (Least developed, landlocked and island developing countries) affecting a D-1 post. Any further reduction under that subprogramme would be detrimental to the least developed countries. A further look should be taken at all related subprogrammes.

24. **Ms. Silot Bravo** (Cuba) asked for a written indication, to be made available at a formal meeting, of the impact, under each section, of post reductions and efficiency and savings measures on the implementation of mandated programmes and activities, as well as an indication of any compensatory measures, an explanation of how the proposed programme budget would accommodate the phasing out of gratis personnel, and a full accounting of the resources needed to implement programmes and activities.

25. There was a particular need for resources to implement mandates under section 7 (Policy coordination and sustainable development). In that regard, she noted the deferral of initiatives which were to be undertaken by the Division for Policy Coordination and Economic and Social Council Affairs. Reductions under section 7 also had a negative impact on the Division for the Advancement of Women, particularly with regard to participation by non-governmental organizations in dissemination activities. There was a high vacancy rate under section 7, and she asked what activities related to the vacant posts. She noted the deferred and postponed outputs under subprogramme 2 (Advancement of women) and the fact that in a number of areas the scope of work in the biennium 1998-1999 would be at the 1996-1997 level. She requested clarification.

26. Appropriations relating to non-governmental organization activities were contained in various sections, and should be brought together under section 7. She requested confirmation that references in the proposed programme budget to non-governmental organizations were to those in consultative status.

27. She was concerned about the indication in paragraph 7.38 of the proposed programme budget (A/52/6/Rev.1 (Vol. I)) that other participants would be involved in the preparation of policy reports. In that regard, she endorsed

paragraphs 109 and 110 of the report of the Committee for Programme and Coordination (A/52/16).

28. The reports referred to in paragraph 7.53 of the proposed programme budget seemed to involve duplication. With regard to subprogramme 5 (Combating desertification, particularly in Africa), she noted that table 7.18 contained no indication of post requirements for the biennium 1998-1999. Although those posts were to be discontinued at the end of 1998, information should be provided for the first year of the biennium. Lastly, with respect to paragraph 7.98 of the proposed programme budget, she asked for justification for the abolition of three General Service posts, apparently in anticipation of benefits from the introduction of the Integrated Management Information System.

29. **Mr. Maiga** (Mali) endorsed the statement by the representative of Mongolia and drew attention to the particular difficulties faced by land-locked developing countries. Accordingly, the D-1 post in the Office of the Special Coordinator should be retained. He noted with concern the overall reduction in resources for UNCTAD, as well as the revised institutional framework for activities for the least developed countries. It was important to ensure that those activities were not affected by the new approach. He regretted that a P-4 post, to cover small island developing countries, was not proposed for inclusion. He welcomed the conversion of a D-2 post to the Assistant Secretary-General level in the Office of the Secretary-General of UNCTAD, and noted the reduction of some $13 million in respect of activities relating to sustainable development. Lastly, he welcomed the increase in resources under section 8 (Africa: New Agenda for Development).

30. **Mr. Okoth Oyugi** (Kenya) said that, as a result of dwindling contributions to its Environment Fund and trust funds, the United Nations Environment Programme (UNEP), could not play its intended role as the principal environmental body within the system. The proposed resource growth of $351,400 was not enough, and he noted with concern the indication in paragraph 12.6 of the proposed programme budget that Fund programme activities had been budgeted at $75 million for the biennium 1998-1999.

31. Regrettably, the establishment of the United Nations Office at Nairobi had led to a diversion of funds from mandated programmes. The Office was currently operating on finances drawn from the Environment Fund; that was an irregular situation, given that United Nations offices at New York, Vienna and Geneva were financed under the regular budget. Urgent steps should be taken to provide regular budget funding. Further, the establishment of regional environmental offices had had an adverse effect on the Environment Fund and trust funds, and he shared the view of the Advisory Committee that the decentralized structure might adversely affect the capacity of UNEP to deliver its mandated programmes (para. IV.49).

32. The United Nations Centre for Human Settlements (Habitat) was also beset by difficulties, with a decrease in regular budget posts and an increase in extra-budgetary posts. In that regard, he requested an explanation of the proposed abolition of two Professional and five local-level regular budget posts, and an assurance that the cuts would not affect the Habitat Agenda. The Secretary-General should give priority to the management of programmes, as called for by the Commission on Human Settlements.

33. **Mr. Repasch** (United States of America) said that, while the 1998-1999 overall assessment of $105.6 million for UNCTAD reflected some success in reining in spending, it was still excessive. Staff costs accounted for 88 per cent of the budget and the staffing structure was unacceptably top-heavy, with one Assistant Secretary-General post, 5 D-2 posts and 20 D-1 posts. His delegation did not support the proposed establishment of a post at the Assistant Secretary-General level, or the proposed conversion of a D-2 post to an established basis. He requested an explanation of the various increases referred to in paragraph IV.29 of the Advisory Committee's report and regretted that ACABQ had not made any recommendations in that regard. The same problem arose under other budget sections; the Chairman of the Advisory Committee should explain the absence of recommendations in such circumstances.

34. He shared the Advisory Committee's concern about the potential for duplication, particularly with regard to published material. The Working Party on the Medium-term Plan and the Programme Budget was to have reviewed the programme of work for UNCTAD for the biennium 1998-1999, and he requested information on its findings.

35. His delegation strongly supported the work of the International Trade Centre, and welcomed the new focus on more practical programmes intended to help developing programmes to improve their international trade. He regretted that the programme of work for 1998-1999 was not yet available, owing to a request by WTO for revised budget arrangements. He asked when the revised section 11 B would be available.

36. With respect to section 12, his delegation placed high priority on continued reform at UNEP. He asked where matters stood in the endeavours to ensure that UNEP could manage its resources and discharge the important responsibilities entrusted to it. He requested an explanation

of the increase in general operating expenses, since it was not clear which related to the Governing Council and which to executive direction and management. Noting the reduced budget for the United Nations Scientific Committee on the Effects of Atomic Radiation, he said he hoped that its effectiveness would not be reduced.

37. He disagreed with the statement in paragraph 12.6 of the proposed programme budget that a management administrative support costs budget of $28.5 million had been approved by the Governing Council of UNEP. In fact, a budget of $27.5 million had been approved, with an emergency allocation of $1 million, to be used on an as-needed basis only. The wording of the paragraph should be revised.

38. He asked what had been done to correct the problems identified by the Office of Internal Oversight Services at the UNEP regional coordination unit for the Caribbean, where serious management deficiencies had been discovered, including duplication of activities and excessive travel. In contrast, the audit of activities under the Convention on International Trade in Endangered Species of Wild Fauna and Flora had revealed commendable efficiency. He asked what impact the UNEP programme of work for 1998-1999 would have on the proposed programme budget.

39. He understood that a substantial pay increase had recently been awarded to local staff in Nairobi, and asked what the total costs would be, how they would be met, and where in the budget they were reflected.

40. Regarding section 13, the Commission on Human Settlements had not approved a work programme or final budget for the biennium 1998-1999 because of difficulties at the United Nations Centre for Human Settlements (Habitat). Accordingly he asked what the status was of the estimates under that section, and where matters stood with regard to the review of the work programme of the Centre for Human Settlements requested by the Commission.

41. With respect to table 13.3 (A/52/6/Rev.1 (Vol. I)), he asked what the status was of the vacant Under-Secretary-General post and where the resources were provided for in the budget. The number of P-4, D-1 and D-2 posts in the table was excessive. He asked for an explanation of the amount of $12,200 relating to overtime for the Office of the Executive Director (para. 13.12), and challenged the amount of $79,100 for consultancy services (para. 13.13). With regard to the amount of $30,800 for travel by the Executive Director (para. 13.14), he noted that expenditure under that heading had previously been abused, and asked what additional controls had previously been established. He asked what basis there was for the projected increase of $20,000 in communications requirements (para. 13.15). The requirements of $127,400 for equipment (para. 13.17) were overstated, particularly the amount for computers. There should be a freeze on spending on equipment at Habitat.

42. **Ms. Brennen-Haylock** (Bahamas) said, with regard to section 7, that her delegation noted the concern expressed by the Advisory Committee in paragraph IV.9 of its report about the adverse impact of the budget reductions on the work of the Division for the Advancement of Women. Such an impact was not acceptable because the Division had taken on additional responsibilities in the light of the conclusions of the Beijing Conference. Her delegation would like to know why the Division's D-2 post had disappeared. Its functions as a focal point had acquired special importance under the Platform for Action, and it was not acceptable that their financing should be transferred from the regular budget to extrabudgetary resources. The Advisory Committee noted in paragraph IV.8 that a few specific comments had been made in the Commission on the Status of Women. She could not recall that happening in the Commission.

43. Turning to section 14, she said it was worrying that the principle of equitable geographical distribution was still not applied in the secretariat of the Crime Prevention and Criminal Justice Division. In paragraph IV.66 of its report, the Advisory Committee commented on the Division's heavy workload that would be more than it could handle. Since crime was supposed to be a priority area, commensurate resources should be allocated under that section.

44. **Mr. Saha** (India) said that his delegation supported the request made by the representative of the United States for information as to when the revised section 11B would be available. It was confused about the procedural aspects. The report of the Office of Internal Oversight Services had not been discussed by the Joint UNCTAD/WTO Advisory Group on the International Trade Centre, which, at its session in April 1997, had asked for a review of the report. It might be inappropriate for the General Assembly to proceed on the matter without obtaining the views of the International Trade Centre, for the Centre was a subsidiary body of WTO as well as of UNCTAD.

45. **Mr. Hanson-Hall** (Ghana) said that his delegation noted with respect to section 8, that, in CPC, several delegations had expressed concern about the imbalance in the distribution of resources between the subprogrammes. It wondered whether, despite the increases of 16.5 per cent in regular budget resources and 50.9 per cent in extrabudgetary resources noted by the Advisory Committee in paragraph IV.21 of its report, the level of programme implementation in 1998-1999 would be the same as in 1996-

1997, and whether the resources allocated were sufficient for the full implementation of the programmes.

46. **Mr. Mazemo** (Zimbabwe) said that his delegation endorsed the statement made by the representative of Mongolia. It shared the concern of the Advisory Committee (A/52/7, para IV.3) about the 35 per cent decrease in extrabudgetary resources for the Department for Policy Coordination and Sustainable Development and the expected further decrease as a result of a 50 per cent reduction in the contributions of the United Nations Fund for Population Activities (UNFPA) to the Department for Economic and Social Information and Policy Analysis. It endorsed comments made by the representative of Mali about the Office of the Special Coordinator. It also shared the concerns expressed by the representative of Cuba about subprogramme 5 (combatting desertification, particularly in Africa). As the Advisory Committee had noted in paragraph IV.7 of its report, the posts for 1998 had not been included in the staffing table. Since the activity had been approved by the General Assembly, his delegation would welcome clarification of that point.

47. **Ms. Silot Bravo** (Cuba) said, with respect to section 9, that her delegation would welcome clarification of the increased hiring of consultants and experts shown in table 9.2 of the proposed programme budget and of the reasons for the proposed abolition of the D-1 post. It wondered what functions and mandates would be affected thereby. It would also welcome information about the pattern of expenditure for the specialized consultancy services not available in the Secretariat referred to in paragraph 9.40. It thought that the first sentence of paragraph 9.47 was incorrect and should be deleted.

48. Turning to section 10, she said that the wording of paragraph 10.22 on the work of the Department for Development Support and Management Services should be brought into line with the language of the medium-term plan. Her delegation could not understand the concept of "countries at risk of conflict", mentioned in paragraph 10.29, or the concept of "countries in recovery and rehabilitation and other countries where the needs are greatest", mentioned in paragraph 10.31. Consideration should be given to deleting the language in question.

49. With regard to section 11, her delegation would welcome further information about the changes resulting from the restructuring of UNCTAD and about the posts to be abolished. It would also like information on the following points: the reasons why, according to table 11A.1, increased resources were requested for executive direction and management but not for the programme of work; the criteria which had governed the percentage distribution of resources under the programme of work and why such a small amount had been allocated to subprogramme 5; and the number of posts listed in table 11A.12 which related to assistance to the Palestinian people and the changes which might result from the proposed budget cuts.

50. On section 12, her delegation would welcome clarification as to why, according to paragraph 12.8, a much greater proportion of resources was allocated to executive direction and management than to the programme of work.

51. In connection with section 13 she drew attention to paragraph 32 of document A/C.5/51/53, which indicated that the implementation of the Habitat programme had been delayed owing to the cancellation of certain activities. She asked what criteria the deferment of the programme had been based on and what allocations had been made for its implementation.

52. **Ms. Peña** (Mexico) said that her delegation endorsed the recommendations of ACABQ and CPC on the sections under consideration. It reserved the right to speak on sections 14 and 15 at a subsequent meeting when they were taken up in the context of the reform proposals.

53. **Ms. Aragon** (Philippines) said that her delegation fully supported subprogramme 2 in section 7 and endorsed the concerns expressed by the representative of the Bahamas concerning paragraph IV.9 of the Advisory Committee's report. With regard to section 9, it sought clarification of the proposed reclassification of a P-5 post to the P-4 level mentioned in paragraph 9.39. In paragraph IV.15 of its report the Advisory Committee noted that it had been informed that the rational for the downgrading was to realize further economies, although the Secretary-General had requested the post at the P-5 level for the biennium 1996-1997 in view of the importance of the issues of international migration.

54. **Mr. Halbwachs** (Controller) said that part of the answer to the many questions about the adequacy of the overall level of resources and the impact of budget cuts on the programme of work was to be found in the documents before the Committee, which described what was going to be delivered with the resources requested. Details of the impact would appear in the programme performance report in the spring of 1998.

55. He could give an assurance that the proposed reduction in the UNCTAD budget was due to the reforms and the restructuring. With regard to the questions about subprogramme 5 and the abolition of a D-1 post, he would point out that, as part of the reorganization of the UNCTAD secretariat, as reflected in the medium-term plan, which had

been discussed in CPC as well as in the Fifth Committee in 1996, the subprogramme was to be coordinated by the Office of the Special Coordinator. It had become a cross-cutting issue in UNCTAD; the work concerned was not restricted to subprogramme 5 and was referred to in many other places in section 11A. The activities had not in fact been cut. He understood that the post connected with small island countries would be filled shortly.

56. He was not sure that he understood the question put by the representative of India about the International Trade Centre and would report back to him privately. In any event, the Secretariat hoped that all the documents on the Centre would be ready by about the middle of November. It must be remembered that the United Nations drew up its budget in United States dollars and the World Trade Organization in Swiss francs; it was sometimes hard to reconcile the different requirements of the legislative bodies of the two organizations.

57. With regard to desertification activities, since the United Nations budget was a biennial one, there was always a problem when an activity was to be dropped after the first year. The United Nations Convention to Combat Desertification was about to enter into force and the United Nations would cease to be responsible for financing its secretariat at the end of 1998. The post in question would not be abolished until then. The same consideration applied to the question put by the representative of Zimbabwe about the apparent reduction in extrabudgetary resources for sustainable development activities; the trust funds for such activities would also disappear from the United Nations budget at the end of 1998 and reappear in the budget of the Convention's secretariat.

58. It was not true that the United Nations Office at Nairobi was financed entirely from UNEP resources. More than 110 posts were provided for under section 27 of the regular budget of the United Nations. The new programme of work for Habitat had been adopted and copies could be circulated to the Committee. It had no programme budget implications. There was no question of freezing Habitat resources under the regular budget: the crisis was one of extrabudgetary resources. The post of Under-Secretary-General in Habitat had not been abolished.

59. As for the overtime worked in the Office of the Executive Director of Habitat, it was common practice in the United Nations for senior officials to work long hours and they needed support staff. Equipment was needed for Habitat, as elsewhere; as he had explained at the preceding meeting, the normal arrangement was for equipment to be replaced every five years. Full details of the proposed cuts in Habitat activities in the biennium 1998-1999 were contained under section 12 of document A/C.5/50/57/Add.1. The amount of travel by the Executive Director was not excessive at $30,000 for a two-year period. There had in fact been an increased amount of travel in connection with HABITAT II in Istanbul.

60. The programme of work of UNEP would be reviewed in December by its Governing Council, and the revisions would take effect in 1998. It was correct for most of the resources to be allocated to executive direction and management and not to the programme. The resolution establishing UNEP provided that the United Nations should finance the Office of the Executive Director and the secretariat of the Governing Council, it being understood that the programme of work was financed almost entirely from the Environment Fund. The follow-up of the report of the Office of Internal Oversight Services on UNEP was a matter for the Executive Director of UNEP.

61. He understood that the programme of work of the Division for the Advancement of Women had been approved by the Commission. The D-2 post had disappeared because it was proposed that the Division should be headed by an Assistant Secretary-General. He believed that the focal point had always been funded exclusively from extrabudgetary resources.

62. Paragraph 9.40 made such a large provision for specialized consultancy services because the Commission on Population and Development sometimes asked the Secretariat to deal with specific demographic issues outside the areas of specialization of its staff members. It was better in such circumstances to call in short-term consultants. The abolition of a D-1 post shown in table 9.6 had no implications for programmes or mandates: it resulted from reorganization of the Office of the Under-Secretary-General.

63. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), replying to the representative of the United States, recalled that in his initial introduction, at the Committee's 11th meeting, of the Advisory Committee's first report on the proposed programme budget for 1998-1999 (A/52/7), he had indicated that, since the report covered only the initial estimates, and in view of the ongoing discussion in the plenary Assembly of the reform proposals contained in document A/51/950, the Advisory Committee had decided to submit its recommendations on document A/52/303 together with its views on the overall level of resources for 1998-1999 at a later stage. In its report on document A/52/303, it would review the comments it had made in document A/52/7 and

identify areas where its recommendations had budgetary implications.

64. The Advisory Committee would not necessarily recommend resource reductions in all of those areas. In some cases, it might find that there was a discrepancy between the approved level of resources and the programme of work to be implemented. In such cases, it would not recommend budget increases, but would make comments intended to guide the Secretariat in managing those resources as efficiently as possible. The General Assembly should indicate whether it concurred with the Advisory Committee's comments in that regard.

65. In reply to the question put by the representative of the Bahamas concerning paragraph IV.8 of the Advisory Committee's report, he said that the paragraph was based on information provided by the Under-Secretary-General for Policy Coordination and Sustainable Development. He would ascertain whether the statement that specific comments on the programme of work of the Department for Policy Coordination and Sustainable Development had been made in the Commission on the Status of Women and the Commission for Social Development had been based on the reports of those bodies or on information provided by the Under-Secretary-General.

66. **Mr. Repasch** (United States of America) said he understood that when the General Assembly adopted a resolution on the proposed reform measures, there might be many changes to consider. However, in the specific cases of Habitat and UNEP, not only the Advisory Committee but also the Office of Internal Oversight Services and the Board of Auditors had referred to the problem of top-heaviness. Therefore, it would have been appropriate for the Advisory Committee to supplement its comments with fully costed recommendations. The Fifth Committee needed the Advisory Committee's help not so much in identifying problems as in devising solutions, and he hoped that, in future, the Advisory Committee's comments would be followed up with specific recommendations.

67. **Ms. Brennen-Haylock** (Bahamas) said that she had presided over the Commission on the Status of Women, but did not recall having reviewed the programme of work of the Department for Policy Coordination and Sustainable Development for the biennium 1998-1999. She awaited clarification of the point she had raised concerning the focal point for women; in the past, that post had been financed under the regular budget. She was not satisfied with the reply to the question concerning the D-2 post which was to be redeployed. The Division for the Advancement of Women and the Special Adviser to the Secretary-General had separate responsibilities. The Assistant-Secretary-General post had been established in response to a recommendation made at the Fourth World Conference on Women. However, that post was insufficient to deal with the expanded functions and workload of the Division for the Advancement of Women. The D-2 post should therefore be retained.

68. **Mr. Halbwachs** (Controller) said, in reply to the representative of the Bahamas, that the Commission on the Status of Women had taken note of the programme of work of the Department for Policy Coordination and Sustainable Development for 1998-1999 at its 15th meeting, held on 21 March 1997.

Section 16. Economic and social development in Africa

Section 16A. Regional commission

Section 16B. Regional Commissions New York Office

Section 17. Economic and social development in Asia and the Pacific

Section 18. Economic development in Europe

Section 19. Economic and social development in Latin America and the Caribbean

Section 20. Economic and social development in Western Asia

Section 21. Regular programme of technical cooperation

69. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introducing the report of the Advisory Committee on sections 16 to 21 of the proposed programme budget for the biennium 1998-1999 (A/52/7 (Chap. II, Part V)), said that the total amount proposed for those sections, which concerned regional cooperation for development, was $399.4 million; the breakdown of that amount by section was given in paragraph V.1 of the Advisory Committee's report.

70. The report consisted of two parts. Paragraphs V.4 to V.12 contained a summary of some issues which were common to all of the regional commissions. The first such issue concerned the lack of uniformity in the presentation of support activities in the budgets of the regional commissions, some of which included a number of substantive activities under the heading of programme support, while others included only traditional support functions. The Advisory Committee recommended (para. V.4) that the regional commissions should address the issue in their next budget submissions; otherwise, the lack of

consistency would continue to give a distorted view of the manner in which resources were allocated.

71. In paragraph V.5, the Advisory Committee noted the need to refine the methodology for indicating the percentage distribution of resources in the programmes of work of the regional commissions. Moreover, the administrative and financial implications of the actions of intergovernmental bodies should be specified more clearly in the Secretary-General's report on the budget. The Advisory Committee commended the efforts of the regional commissions, particularly the Economic Commission for Africa, to streamline their intergovernmental and subsidiary machinery and secretariat structures. The financial implications of those efforts should be reflected in the Secretary-General's budget proposal.

72. With respect to publications, the action taken by the regional commissions was insufficient. Further efforts should be made, in accordance with the guidelines put forward by the Advisory Committee and endorsed by the General Assembly in connection with the programme budget for the biennium 1996-1997. In paragraph V.8 of its report, the Advisory Committee noted the trend towards significantly increasing resources for consultants and experts in the regional commissions. The additional resources had been requested in order to give the Executive Secretaries greater flexibility in implementing the programme of work. However, the cost-effectiveness of that procedure should be monitored.

73. The relevant budget sections contained lengthy descriptions of the coordination, cooperation and liaison responsibilities of the regional commissions but did not indicate clearly what activities were to be carried out for that purpose or how much they would cost. In paragraph V.10, the Advisory Committee recommended that the description of those functions should be significantly improved to give Member States a clear picture of how they related and contributed to other quantifiable and/or identifiable mandated activities.

74. The second part of the Advisory Committee's report dealt separately with each of the budget sections, giving more details on the basic issues identified in paragraphs V.4 to V.12.

75. **Mr. Chinvanno** (Thailand), Vice-Chairman of the Committee for Programme and Coordination, said that the conclusions and recommendations of CPC on budget sections 16 to 20 were to be found, respectively, in paragraphs 193, 200, 205, 212 and 216 of its report (A/52/16). The Committee recommended that the General Assembly should approve the programme narrative of each of those sections except section 19, to which it proposed a modification. In paragraph 223, it made the same recommendation with regard to section 21, subject to the incorporation of a proposed modification. Moreover, in paragraph 224, it recommended that the General Assembly should request the Secretary-General to implement fully the recommendation of the Advisory Committee in paragraph V.46 of its report on the proposed programme budget for the biennium 1996-1997 (A/50/7), which had called for the strengthening of the monitoring, evaluation and control of the resources used in the regular programme of technical cooperation.

76. **Mr. Saguier Caballero** (Paraguay), speaking on behalf of the Rio Group, referring to section 19, reaffirmed the importance of the Economic Commission for Latin America and the Caribbean (ECLAC) in assisting the economic and social development efforts of the Latin American and Caribbean countries. Thanks to the accomplishments of the outgoing Executive Secretary, ECLAC was a model for the rest of the regional commissions.

77. International financial institutions classified the Latin American and Caribbean countries in the low- or middle-income categories. Regional institutions that supported economic development and reform must therefore be strengthened. ECLAC promoted economic and social development in the region by engaging in interactive cooperation with its member States in analysing development, designing public policies and facilitating their implementation through operational activities, especially in the areas of specialized information, advisory services, training and support for regional and international cooperation.

78. The reform process had begun at ECLAC long before the current system-wide reform effort. He hoped to receive more information on the pilot management scheme, which was the subject of ongoing deliberations at ECLAC.

79. In general, the Rio Group supported the Secretary-General's proposals and the recommendations of CPC concerning the resources to be allocated to ECLAC. However, it was seriously concerned about the indication, in paragraph 40 of document A/C.5/51/53, that staff reductions in the current biennium had resulted in the cancellation of a number of reports and studies intended to be used as a basis for the development of policies and programmes, particularly in the areas of natural resources and energy, economic and social planning, international trade, environment, human settlements and statistics and economic projections. The already tight budget had also

affected the conduct of research and analyses on issues of concern to the States of the region. He asked whether the activities which had not been implemented during the current biennium had been included in the proposed programme budget for the biennium 1998-1999; if not, the proposed allocations might need to be revised.

80. ECLAC continued to play a vital role in consolidating peace in the region by strengthening democracies through its support for economic growth and by promoting regional integration. Since its main activity was the publication of reports to support the efforts of Governments, the proposed level of staffing resources was fully justified. ECLAC was the only regional commission whose conference facilities were limited; that fact should be borne in mind when determining the Organization's future priorities, once its financial situation had been placed on a sound footing.

81. **Ms. Aragon** (Philippines), speaking on behalf of the States members of the Association of South-East Asian Nations (ASEAN), reaffirmed their support for the multifaceted role of the Economic and Social Commission for Asia and the Pacific (ESCAP). There was an urgent need to strengthen the role of the regional commissions in operational activities, especially technical assistance and advisory services. Resources should be decentralized from Headquarters departments to the regional commissions so that the programmes of action adopted at global conferences could be implemented according to the needs of the countries in the various regions.

82. As noted in paragraph V.40 of the Advisory Committee's report, ESCAP had approved the proposed programme of work at its most recent session. It had also reviewed its conference structure and decided to reduce the number and duration of intergovernmental meetings. It was currently preparing recommendations concerning a revised programme structure; in that connection, ASEAN welcomed the Executive Secretary's initiative regarding the reorganization of the ESCAP secretariat.

83. ASEAN also welcomed the Commission's efforts to achieve a unified system-wide approach to regional development through the Regional Inter-Agency Committee for Asia and the Pacific and its subcommittees (A/52/6/Rev.1, para. 17.4). It supported the overall level of resources proposed by the Secretary-General and the recommendation contained in paragraph 200 of the report of CPC (A/52/16).

84. **Mr. Chinvanno** (Thailand) said that, for 50 years, ESCAP had served well the needs of its 60 members and associate members, which included developed, newly industrialized, developing, least developed, landlocked and island developing countries, as well as countries with economies in transition. Sixty per cent of the world's population lived in those countries.

85. While developing countries in the Asia-Pacific region had made notable progress in the past decade, many countries and areas were still marginalized from the integration process. ESCAP had a key role to play in helping to spread throughout the region the economic and social dynamism which characterized some countries of the region. At the Commission's most recent session, its members had recommended that it should continue to provide policy guidance to help developing countries deal with the challenges and opportunities arising from globalization and liberalization, and had recognized the need for continued cooperation in critical areas to narrow the development gap in the region.

86. The reform of the Commission's conference structure should result in wider participation by its members and associate members and sharpen the focus of its work, thereby enhancing its effectiveness and efficiency. His delegation endorsed the proposed programme of work contained in section 17 of the proposed programme budget for the biennium 1998-1999; in particular, it welcomed the proposed 3.4-per-cent increase in resources for the programme of work.

The meeting rose at 1.10 p.m.